CIA HISTORICAL REVIEW PROGRAM PAR 1891 RELEASE AS SANITIZED 1998

MEMORANDEM FOR: Assistant Chief of Steff, Intelligence,

Department of the Army

ATTRIBUTOR:

Combat Intelligence/Development Division,

Research and Development Branch

SUBJECT:

Estimated Costs of Selected Soviet Units

Please find attached the information requested by it

Research Analysis Corporation in con-

nection with his project

\$ 4 P

This request stemmed from

. Should

you or Dr

s have any further questions please feel

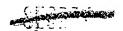
free to contact Mr

"I our staff

7913.

Assistant Director

Enclosure: Estimated Costs of Selected Soviet Burkes-to-Surison Hissile and Rocket Units



SECRE

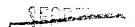
Estimated Costs of Selected Soviet Surface-to-Surface Hissile and Rocket Units

1. Missile Units

Estimates of initial investment and samual operating costs for Soviet SS-1, SS-2, and SS-1, and SS-4 missile units are presented in this section. Given the uncertainty surrounding the characteristics and the tables of organization and equipment and costs of these Soviet missile units, these estimates should be considered little more than general approximations of the Soviet costs.

The two categories represented, initial investment costs and samual operating costs, differ in important respects from the entegories as generally used in weapons systems enalysis. The missile costs emulate the cost of varieties and include only the number of missiles required for the basic local of the given unit. There is no allowance either for missiles used up in initial or emough training or for missiles samigned to stockpiles. For the 65-1, and 65-2 the basic unit is a battalion; for the 65-1 and 65-2 the basic unit is a battalion; for the 65-1 and 65-2 the basic unit is a battalion; for the 65-1 and 65-2 the basic unit is a battalion; for the 65-1 and 65-2 the basic unit is a battalion; for the 65-1 and 65-2 the basic unit as a result of central mode to account for costs according to the basic units as a result of central support activities in those echolons immediately behind the basic units as well as army-side command and support functions.

The estimates of the costs of the various missile systems follow:



-

	88-1 Bn	88-2 Bn	88-3 Launcher	83-4 Launcher
Manpower - basic unit plus central support area	250	500	250	25 0
Launcher per unit	6	2	1	1
Missiles per unit	24	6	3	3
Initial Investment (Million 1955 Rubles)				
Missiles s/	24C	6c	3C	3C
Other	25.4	20.6	16.0	16.0
Annual Operating Costs (Million 1955 Rubles)	7.8	10.0	5.8	· 5.8

a. C represents the unit cost of missiles (exclusive of warhead) at a given level of cumulative production (X) in one plant. The general formula for calculating C is $C = K(1-n) / X^n$ where K = unit cost of first missile, K = cumulative production of missiles produced in a given plant, and n = slope of the cumulative average unit cost curve. For the missiles in question the unit costs in thousands of 1955 rubles are

68-1
$$C = (5076) (.7655) / x.2345$$

68-2 $C = (10,800) (.7655) / x.2345$
68-3 $C = (12,420) (.7655) / x.2345$
68-4 $C = (16,200) (.7655) / x.2345$

2. FROG Units

At this time, the information required for estimating the costs of FROG-3 and FROG-4 is not available in the appropriate detail. For aggregative purposes the production estimates of these two types of rockets is combined and an average price of 56,000 1955 rubbes per rocket is applied.